

# **Alcohol Sales Privatization House File 820**

Last Action:

**House Appropriations  
Committee**

March 21, 2005

## **Executive Summary Only**

**An Act concerning State liquor activities, including liquor prices set by the Alcoholic Beverages Division, moneys appropriated from liquor sale revenues for substance abuse treatment, and State liquor warehouse operations.**

**Fiscal Services Division  
Legislative Services Agency**

### **NOTES ON BILLS AND AMENDMENTS (NOBA)**

Available on line at <http://www3.legis.state.ia.us/noba/index.jsp>

LSA Contact: Sam Leto (16764)

## **EXECUTIVE SUMMARY NOTES ON BILLS AND AMENDMENTS**

## **HOUSE FILE 820 ALCOHOL SALES PRIVATIZATION**

### **BILL SUMMARY**

### **ALCOHOL LIQUOR SALES**

### **NEW APPROPRIATION FOR SUBSTANCE ABUSE PREVENTION AND TREATMENT**

### **REQUEST FOR PROPOSAL**

### **EFFECTIVE DATE**

- This Bill changes the requirements regarding setting prices for sale of alcohol liquor to retailers, creates a new appropriation for the Substance Abuse Prevention and Treatment Program in the Department of Public Health, and requires a request for proposal be issued.
- Deletes language that prohibits the Alcoholic Beverages Division (ABD) from establishing prices on alcoholic liquor sold to class "E" licensees based on volume and delivery distance.
- Makes an FY 2007 appropriation of \$2.0 million from liquor sales revenues to the Department of Public Health for the Substance Abuse Prevention and Treatment Program. Previously, all funding for the Program was appropriated from the General Fund.
- Requires the issuance of a request for proposal or other competitive bidding process to privatize the State liquor warehouse and transportation functions. The ABD is also prohibited from adding State FTE positions.
- The Bill takes effect July 1, 2006.